

**Resolution 2008-0006**  
**of the**  
**Local Agency Formation Commission**  
**of Modoc County, California**

*Making Determinations and Approving the Proposed Formation of the Last Frontier  
Healthcare District*

WHEREAS, a Resolution of Application (Resolution 2008-38) initiating the formation of the Last Frontier Healthcare District, has been adopted by the Modoc County Board of Supervisors pursuant to the Cortese-Knox Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Government Code Section 56000 has been filed with the Executive Officer of the Local Agency Formation Commission of Modoc County, California; and said application complied with all the requirements of law and the Commission; and,

WHEREAS, the proceedings for this formation are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act, Section 56000 *et seq.* of the Government Code; and

WHEREAS, at the time and in the manner provided by law, the Executive Officer gave notice of the date, time, and place of a public hearing by the Commission upon said application; and

WHEREAS, the Executive Officer has reviewed the application and has prepared a report including staff recommendations thereon within the time required by law and has furnished copies of said report to the Commission and to all other persons required by law to receive it; and

WHEREAS, at a public hearing held November 13, 2008, the Commission considered the proposal and the report of the Executive Officer; the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56668; and all other relevant evidence and information presented at said hearing, including the comments of all interested parties desiring to be heard;

NOW, THEREFORE, the Modoc County Local Agency Formation Commission determines, resolves and orders the following:

1. The proposal is approved, subject to confirmation of the voters and upon the terms and conditions stated herein and in Resolution 08-38 of the Modoc County Board of Supervisors unless modified by this resolution.
2. The territory comprises approximately 611,200 acres more or less and is found to be inhabited.
3. LAFCO shall be the conducting authority for this reorganization.
4. The change of organization is assigned the following distinctive short-term designation:

**Last Frontier Healthcare District—Formation**

5. The Commission hereby affirms that this application is exempt from the California Environmental Quality Act pursuant to Section 15320 of the CEQA Guidelines

(Class 20) as the proposal would not result in any change in services previously provided since the County of Modoc already serves the territory with healthcare services and CEQA Guideline Section 15061 b (3) whereby this activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Since this proposal is converting an existing function from a county department to a new public entity, there is no possibility that this activity may have a significant effect on the environment. The Commission hereby adopts a Notice of Exemption for this formation.

6. The proposal is consistent with the spheres of influence of all affected agencies. No duplication of services shall occur in the territory between the County, City of Alturas, the Surprise Valley Health Care District and the Last Frontier Healthcare District, as proposed.
7. The Commission adopts the determinations regarding consistency with LAFCO Policies contained in the staff report for this project and incorporates them by reference herein.
8. The proposal includes all the parcels within the boundaries as shown in Exhibit "A" Proposed Last Frontier Healthcare District Map and Exhibit "B" Boundary Description for the Last Frontier Healthcare District.
9. The effective date of formation, if approved by the voters, shall be upon the recordation of the Certificate of Completion and after the completion of all proceedings.
10. The district shall be governed by a five-member Board of Directors elected at-large by the registered voters residing within the affected territory. The first 5-member Board shall be appointed by the Board of Supervisors with initial terms to be determined pursuant to the Uniform District Elections Law.
11. The boundaries of the district, as set forth in the proposal, are hereby approved as described in Exhibits A and B attached hereto and by this reference incorporated herein. The assessor's office has verified no lines of assessment are split by this proposal.
12. The district shall provide Health Care Services including operation of a Hospital, and may establish, maintain, and operate or provide assistance in the operation of, one or more health facilities or service, including but not limited to: outpatient programs, services and facilities; retirement programs; chemical dependency programs, services and facilities, or other health care programs, services and facilities; activities at any location inside and outside the district for the benefit of the district and people serviced by the district; to acquire, maintain and operate ambulances, or ambulance services inside and outside the district; and to establish a nurses' training school, or child care facility for the benefit of employees of the hospital or residents of the district. In addition to these specific powers, the board of directors of the district has the general powers to perform acts necessary or proper to carry out the provisions in Sections 32121 through 32137 of the Health and Safety Code.
13. LAFCO shall adopt a sphere of influence for the district following completion of a Municipal Services Review for the services to be provided by the Last Frontier

Health Care District and prior to any district annexations. LAFCO hereby adopts a provisional Sphere of Influence contiguous with the district's boundaries.

14. As stated in the LAFCO Staff Report of November 13, 2008 the amount of base and incremental property tax transferred to the new district from the County General Fund pursuant to Section 56842 of the California Government Code shall be zero.
15. As stated in the LAFCO Staff Report of November 13, 2008, the provisional appropriations limit for the new district required by Article XIII B of the California Constitution shall be \$0 for the first fiscal year, plus the amount of any new tax approved by the voters as part of the district formation.
16. Approval of this formation is conditioned upon the Board of Supervisor's obligation to defend, indemnify, and hold harmless the Modoc Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim, action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this formation. The Local Agency Formation Commission of the County of Modoc shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.
17. The district shall confer with the Modoc County Auditor during its budgeting process and its expenditure of funds as a public agency.
18. All LAFCO, Modoc County and State of California fees and (or) expenses must be paid in full prior to filing the Certificate of Completion. LAFCO will forward invoices and (or) a list of required fees/deposits and (or) expenses to the Save our Hospital Committee prior to filing the Certificate of Completion for direct payment by the project proponents.
19. The district shall reimburse the County of Modoc for the cost of district formation, less any donations the County receives to defray election expenses or for any other purpose relating to the proposal.
20. Three reproducible copies, ten 24 by 36 inch copies and two 8 1/2 reductions of all final maps along with 5 copies of the final metes and bounds description shall be submitted to LAFCO prior to the recordation of the Certificate of Completion.
21. The boundary description, fees and maps shall meet the requirements in 54902 and 54902.5 of the Government Code and as stated in the State Board of Equalization Change of Jurisdictional Boundary Requirements for Statements, Boundary Description, Maps and Schedule of Processing Fees. If rejected by the State Board of Equalization, Maps and Legal Descriptions will be revised at the expense of the proponents prior to recordation of the Certificate of Completion.
22. The "Transition of Ownership", attached as Exhibit "C", is hereby ordered and adopted to ensure the orderly transition of County Health Care Functions to the Last Frontier Health Care District.

23. The Last Frontier Health Care District shall be funded by a special tax and (or) special assessment approved by the voters (or) landowners, whichever the case, and shall not be formed unless an adequate funding mechanism has been approved. The language in the Ballot Measure shall substantially comply with the language included in the attached Exhibit "D", "Proposed Ballot Measure Language". Certification of the election results by the Modoc County Clerk shall be submitted to LAFCO prior to the Certificate of Completion.
24. The Board of Supervisors is hereby requested to order an election for the funding mechanism. Likewise, the Local Agency Formation Commission hereby requests the Board of Supervisors to order and call an election by the registered voters residing in the proposed territory at the earliest time possible confirming the formation of this district. The form used for a district formation shall be consistent with the language contained in Government Code Section 57133(k). This formation shall be contingent upon voter approval of a funding mechanism.
25. The Executive Officer is hereby directed to transmit a certified copy of this resolution to each affected agency, as provided in G.C. Section 56853 including the Modoc County Clerk and Modoc Co. Board of Supervisors.
26. The Executive Officer is directed to record a Certificate of Completion for this proposal upon completion of all proceedings.
27. Completion of proceedings shall be concluded within one-year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated.

The foregoing resolution was duly passed by the Local Agency Formation Commission of Modoc County at a regular meeting held on \_\_\_\_\_, by the following roll call vote:

Ayes:

Noes:

Abstains:

Absent:

Signed and approved by me after its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

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John Dederick, Chair  
LAFCO of Modoc County

Approved as to Form:

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J. S. Kenny, LAFCO Counsel